Amendment to "Principal Terms and Conditions for Purchases of ETFs and J-REITs"

At the Monetary Policy Meeting held on January 28 and 29, 2016, the Policy Board of the Bank of Japan made the following decisions in light of facilitating smooth implementation of Quantitative and Qualitative Monetary Easing.

The decisions were made in accordance with the decision at the Monetary Policy Meeting held on December 17 and 18, 2015.

1. The Bank shall amend the "Principal Terms and Conditions for Purchases of ETFs and J-REITs" (see Attachment).

2. The Bank shall seek, from the Minister of Finance and the Commissioner of the Financial Services Agency, authorization regarding the implementation of 1., in accordance with Article 43, Paragraph 1 and Article 61-2 of the Bank of Japan Act.

Amendment to "Principal Terms and Conditions for Purchases of ETFs and J-REITs"

- Paragraph 6. shall be amended as follows.

  6. Maximum Outstanding Amount to Be Purchased

    (1) (No change)

    (2) The maximum amount of each J-REIT to be purchased shall not exceed ~~5~~10 percent of the total amount of that J-REIT issued, and shall, pursuant to the relevant rules of the Bank, be set so that the Bank's purchase would roughly be proportionate to the total market value of that J-REIT issued.

- Paragraph 8. shall be amended as follows.

  8. Disposal of Purchased ETFs and J-REITs

    (1) ETFs and J-REITs purchased by the Bank shall be promptly disposed in the following cases.

      a. (No change)

      b. In case the total amount of a J-REIT purchased exceeds ~~5~~10 percent of the total amount of that J-REIT issued (only the portion exceeding ~~5~~10 percent shall be disposed).

      c.
      ὶ   } (No change)
      e.

(2)
(3)   (No change)

(Supplementary Provision)

These amendments shall become effective on the date the Bank obtains authorization from the Minister of Finance and the Commissioner of the Financial Services Agency in accordance with Article 43, Paragraph 1 and Article 61-2 of the Bank of Japan Act, Act No. 89, 1997, provided that the Bank obtains such authorization.